

## House Bill 900

By: Representatives Bruce of the 64<sup>th</sup>, Fludd of the 66<sup>th</sup>, Holmes of the 61<sup>st</sup>, Beasley-Teague of the 65<sup>th</sup>, and Brooks of the 63<sup>rd</sup>

## A BILL TO BE ENTITLED

## AN ACT

1 To amend Code Section 48-8-89.1 of the Official Code of Georgia Annotated, relating to  
 2 distribution of local option sales tax proceeds after certification of additional qualified  
 3 municipalities, so as to change provisions relating to distribution of tax proceeds; to make  
 4 provisions for qualified district areas; to define terms; to provide for distribution certificates  
 5 and distribution formulas; to provide for other related matters; to provide an effective date;  
 6 to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Code Section 48-8-89.1 of the Official Code of Georgia Annotated, relating to distribution  
 10 of local option sales tax proceeds after certification of additional qualified municipalities, is  
 11 amended by revising subsection (f) as follows:

12 "(f)(1) As used in this subsection, the term:

13 (A) 'New qualified municipality' means a municipal corporation which has been  
 14 chartered by local Act since the date of filing with the commissioner of the most  
 15 recently filed certificate under Code Section 48-8-89 within a county which has a  
 16 special district for the provision of local government services consisting of the  
 17 unincorporated area of the county where the population of the unincorporated area of  
 18 the county, after removal of the population of the new municipality from the  
 19 unincorporated area, constitutes less than 20 percent of the population of the county  
 20 according to the most recent decennial census.

21 (B) 'Newly expanded qualified municipality' means a municipal corporation which  
 22 since the date of filing with the commissioner of the most recently filed certificate  
 23 under Code Section 48-8-89 has increased its population by more than 15 percent  
 24 through one or more annexations and is located in the same county as a new qualified  
 25 municipality.

1 (C) 'Qualified district area' means a special district for the provision of local government  
 2 services consisting of the remaining unincorporated area of the county where the  
 3 population of the unincorporated area of the county, after removal of the population of  
 4 a new municipality or newly expanded municipality from the unincorporated area,  
 5 constitutes less than 10 percent of the population of the county according to the most  
 6 recent decennial census.

7 (2) Notwithstanding any other provision of this Code section, if there exists within any  
 8 special district in which the tax authorized by this article is imposed a new qualified  
 9 municipality, ~~or a newly expanded qualified municipality or both,~~ or qualified district  
 10 area, or any combination thereof, such qualified municipality or municipalities or  
 11 qualified district area may request the commissioner to give notice of the qualified  
 12 municipality's or municipalities' or qualified district area's existence and status as a new  
 13 qualified municipality, ~~or newly expanded qualified municipality,~~ or qualified district  
 14 area as provided in this subsection. Upon receipt of such a request, the commissioner  
 15 shall, unless he or she determines that the requesting entity is not a new qualified  
 16 municipality, ~~or newly expanded qualified municipality,~~ or qualified district area, within  
 17 30 days give written notice of the qualified municipality's or qualified district area's  
 18 existence and status to the county which is conterminous with the special district in which  
 19 the qualified municipality or qualified district area is located and to each other qualified  
 20 municipality within the special district. Such written notice shall include the name of the  
 21 new qualified municipality, ~~or newly expanded qualified municipality,~~ or qualified  
 22 district area, the effective date of the notice, and a statement of the provisions of this  
 23 subsection.

24 (3) Within 60 days after the effective date of the notice referred to in paragraph (2) of  
 25 this subsection, a new distribution certificate shall be filed with the commissioner for the  
 26 special district. This distribution certificate shall address only the proceeds of the tax  
 27 available for distribution from the percentage allocated to the county in the current  
 28 distribution certificate and shall specify as a percentage of the total proceeds of the tax  
 29 what portion of the proceeds shall be received by the county in which the special district  
 30 is located and by the new qualified municipality, ~~and newly expanded qualified~~  
 31 municipality, and qualified district area, if any.

32 (4) Except as otherwise provided in this paragraph, a distribution certificate required by  
 33 this subsection must be executed by the governing authorities of the county within which  
 34 the special district is located, of each new qualified municipality located wholly or  
 35 partially within the special district, and of each newly expanded qualified municipality,  
 36 if any. Except as otherwise provided in this paragraph, a distribution certificate required  
 37 by this subsection must also be executed by the governing authority of the county within

1 which the special district is located and by the governing authority of the county on  
 2 behalf of the qualified district area, if any. If a new certificate is not filed within 60 days  
 3 as required by paragraph (3) of this subsection, the commissioner shall distribute the  
 4 proceeds of the tax available for distribution from the percentage allocated to the county  
 5 in the current distribution certificate such that:

6 (A) The new qualified municipality or qualified district area receives an allocation  
 7 equal on a per capita basis to the average per capita allocation to the other qualified  
 8 municipalities in the county (according to population), to be expended as provided in  
 9 paragraph (2) of subsection (a) of Code Section 48-8-89; and

10 (B) Any newly expanded qualified municipality or qualified district receives a total  
 11 allocation of tax proceeds (including any amount previously allocated) equal on a per  
 12 capita basis to the average per capita allocation to the other qualified municipalities in  
 13 the county (according to population), to be expended as provided in paragraph (2) of  
 14 subsection (a) of Code Section 48-8-89.

15 Every other qualified municipality shall continue to receive the share provided by the  
 16 existing distribution certificate or otherwise provided by law. The county shall receive  
 17 the remaining proceeds of the tax, to be expended as provided in paragraph (2) of  
 18 subsection (a) of Code Section 48-8-89. For the purpose of determining the population  
 19 of qualified municipalities, only that portion of the population of each such municipality  
 20 which is located within the special district shall be computed. For the purpose of  
 21 determining the population of qualified district areas, only that portion of the population  
 22 of each such district area which is located within the special district shall be computed.

23 For the purpose of determining population under this Code section, all calculations of  
 24 population shall be according to the most recent decennial census, including the census  
 25 data from such census applicable to any annexed territory.

26 (5) The commissioner shall begin to distribute the proceeds as specified in the newly  
 27 filed certificate or, if such a certificate is not filed, as specified in paragraph (4) of this  
 28 subsection on the first day of the first month which begins more than 60 days after the  
 29 effective date of the notice referred to in paragraph (2) of this subsection. The  
 30 commissioner shall continue to distribute the proceeds of the tax according to the existing  
 31 certificate and the certificate applicable to the county and the new qualified municipality  
 32 or qualified district area or, if such a certificate is not filed, as specified in paragraph (4)  
 33 of this subsection until a subsequent certificate is filed and becomes effective as provided  
 34 in Code Section 48-8-89."

## 35 SECTION 2.

36 This Act shall become effective upon its approval by the Governor or upon its becoming law  
 37 without such approval.

1

**SECTION 3.**

2 All laws and parts of laws in conflict with this Act are repealed.